

VZCZCXRO2012  
PP RUEHCN RUEHGH RUEHVC  
DE RUEHHK #1777/01 1840946  
ZNY CCCCC ZZH  
P 030946Z JUL 07  
FM AMCONSUL HONG KONG  
TO RUEHC/SECSTATE WASHDC PRIORITY 2180  
INFO RUEHOO/CHINA POSTS COLLECTIVE PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 HONG KONG 001777

SIPDIS

NOFORN  
SIPDIS

DEPT FOR EAP AND EAP/CM  
NSC FOR WILDER

E.O. 12958: DECL: 07/03/2032  
TAGS: [PGOV](#) [PHUM](#) [PINR](#) [PREL](#) [HK](#) [CH](#)  
SUBJECT: HONG KONG COMMEMORATES TEN YEAR ANNIVERSARY WITH  
CELEBRATIONS AND PROTESTS

Classified By: Political Unit Chief Jeff Zaiser. Reasons: 1.4 (b,d)

¶1. (C) Summary: On July 1, Hong Kong celebrated the tenth anniversary of the Special Administration Region's (SAR) reversion to the PRC with a mixture of official celebrations and the annual pro-democracy demonstration. PRC President Hu Jintao helped mark the anniversary by personally swearing in Chief Executive Donald Tsang (and his cabinet) for his second term. The PRC President's official itinerary was tightly choreographed to present his many different roles to the Hong Kong public: on the one hand, he visited local families and played ping-pong with local teenagers, but he was also photographed inspecting the People's Liberation Army's Hong Kong garrison. During a speech commemorating the tenth anniversary of the HKSAR, Hu praised Hong Kong's successes over the past decade but also emphasized the importance of the "one country, two systems" framework, saying that "one country" was the prerequisite for "two systems." Separately, a crowd variously estimated at 20,000 to 68,000 people marched through the city, led by democracy "stars" such as Catholic Cardinal Joseph Zen and former Chief Secretary Anson Chan. Underlining the core issue for the demonstrators, the rally organizer told us that the "Hong Kong people have waited long enough. We're asking for (the implementation of universal suffrage in) 2012." End Summary.

¶2. (C) Comment: In recent years, most attention on July 1 has focused on the pan-democratic demonstration, but the tenth anniversary of reversion brought competition this year. President Hu used his visit to send a message that Beijing is keeping a close eye on Hong Kong's political development, and also would like to see more patriotism and national identity in the SAR. While the two sides have conflicting views on the way forward, the weekend activities nevertheless showed that freedom of speech and demonstration are alive and well. The next major political development should be the release of the government's "Green Paper," on or about July 11, that will lay out several options for democratization, although it reportedly will not include a timetable. End Comment.

Competing Activities on the Handover Anniversary  
-----

¶3. (SBU) Hong Kong marked the tenth anniversary of the reversion to the PRC with a busy series of events over a long weekend. The June 29-July 1 visit of PRC President Hu Jintao highlighted the official agenda, which included a pro-Beijing parade on the morning of July 1, a flag-raising ceremony officiated by the Chief Executive, the presentation of two pandas from the central government, and a variety show at the racecourse which included the People's Liberation Army's Parachute Brigade descending by parachute into the stadium.

## PRC President Delivers Clear Message

---

¶4. (SBU) Among other activities, President Hu conducted the July 1 "swearing in" ceremony for Chief Executive (CE) Donald Tsang (and his cabinet members) for their new term of office.

SIPDIS

Tsang, re-elected in March by the Chief Executive Election Committee, focused on economic issues in a speech following the swearing-in ceremony; he pledged more infrastructure investment and increased economic opportunities for the underprivileged. Tsang also repeated his promise, made during the CE election campaign, to resolve the issue of universal suffrage by 2012. Local media have reported that the HKG's "Green Paper" on constitutional development will be released on July 11.

¶5. (SBU) Tsang's remarks, were, however, overshadowed by Hu's first official visit to Hong Kong since his appointment as PRC President. (President Hu last visited the HKSAR in 1999 as Vice President.) The PRC President's official itinerary was tightly choreographed to present his many different roles to the Hong Kong public: on the one hand, he visited local families and played ping-pong with local teenagers, but he was also photographed inspecting the People's Liberation Army's Hong Kong garrison, the second time since the handover that a mainland president has inspected the garrison. Finally, in a sign of the continuing integration of the Hong Kong and mainland economies, Hu also opened the Shenzhen-Hong Kong Western Corridor, a new bridge and border crossing to Shenzhen.

¶6. (SBU) The most significant aspect of Hu's visit, however, were his remarks on Hong Kong's political development

HONG KONG 00001777 002 OF 002

following the swearing in of the new government team. While praising Hong Kong's successes over the past ten years, Hu emphasized the "one country, two systems" concept, saying that "one country" was the prerequisite for "two systems." His remarks were consistent with NPC Chairman Wu Bangguo's remarks on June 6: the central government controlled the degree to which Hong Kong enjoyed autonomy. The PRC President also urged the Hong Kong people to be more pragmatic and to concentrate on developing the economy and building a "harmonious society." "Only with continued economic development can Hong Kong improve the life for its people, maintain stability and develop a democratic system that suits its actual condition," he added. Hu departed Hong Kong on July 1 before the pro-democracy event started at 2:30 pm.

Democracy "Stars" Boost Turnout

---

¶7. (C) The pan-democrats held their annual July 1 pro-democracy demonstration, which drew somewhere between 20,000 (police estimate) and 68,000 (organizers' claim) protesters; a fairly solid turnout on a hot day with rain threatening. Chris Yeung of the "South China Morning Post" estimated the crowd at 40,000-50,000. As usual, the event proceeded smoothly with no violence. Underlining the core issue for the demonstrators, Civil Human Rights Convenor Jackie Hung told us after the march, "The Hong Kong people have waited long enough. We're asking for (the implementation of universal suffrage in) 2012."

¶8. (SBU) Most of Hong Kong's democracy "stars" led the demonstration: Cardinal Joseph Zen (marching the entire route from Victoria Park to the Central Government Offices, for the first time); former Chief Secretary Anson Chan; veteran democracy leaders Szeto Wah and Martin Lee; and "Apple Daily" publisher Jimmy Lai. According to organizers, the participation of Zen and Chan, had boosted interest in the

demonstration. Zen had participated each year since 2003 in prayer sessions before the marches, and did so again this year, but had never marched before. This year, he told the media he was "in no mood to celebrate while people fought for democracy." Zen's participation in the democracy rally has already spurred criticism from the Chinese Catholic Patriotic Association. Liu Bainian, a Deputy Chairman of the Patriotic Association, criticized Zen's actions as not conducive to Hong Kong's stability and unhelpful to Sino-Vatican relations. The demonstration came a day after Pope Benedict released a long-awaited letter to Chinese Catholics calling on Beijing to engage in a "respectful and constructive dialogue" with the Vatican on the normalization of relations.

19. (SBU) As usual, the demonstrators displayed a wide variety of banners and slogans addressing both longstanding issues and more recent local controversies: "democracy is not a gift from Beijing;" "one person, one vote;" assess and resolve the June 4, 1989 incident; "save Radio Television Hong Kong" (a government-controlled but editorially independent broadcaster); family unification for abode seekers; job creation for the unemployed; and safeguard academic freedom. The Falun Gong group (and accompanying marching band) also participated, as usual, notwithstanding media reports that Falun Gong adherents from Taiwan had been turned back at the Hong Kong airport.  
Cunningham